

Presentation Update

13 September 2023

Please see attached presentation to the New Zealand Shareholders Association on 13 September 2023.

Approved for release by the Board of Smartpay Holdings Limited.

For further information contact:
Gregor Barclay, Chair, +64 21 306 594

ASX: SMP
NZX: SPY

SHARE INFORMATION

Issued Shares: 238,284,963

BOARD OF DIRECTORS

Independent Chair:
Gregor Barclay

Managing Director:
Martyn Pomeroy

Independent:
Matthew Turnbull

Independent:
Geoffrey Carrick

Non-Executive:
Carlos Gil

www.smartpayinvestor.com

REGISTERED AND PRINCIPAL OFFICES

New Zealand:
205 – 209 Wairau Road
Wairau Valley, Auckland 0627

Email: info@smartpay.co.nz
Phone: +64 (0)9 442 2700
Fax: +64 (0)9 442 2722

www.smartpay.co.nz

Australia:
Level 9, 151 Castlereagh Street,
Sydney, NSW 2000

Email: info@smartpay.com.au
Phone: +61 (0)2 7903 6302
Fax: +61 (0)2 9869 4223

www.smartpay.com.au

SHAREHOLDER ENQUIRIES

Enquiries concerning shareholdings should be addressed to:

New Zealand:
Computershare Investor Services Limited
Private Bag 92119, Auckland 1142

Phone: +64 (0)9 488 8700
Fax: +64 (0)9 488 8787

Australia:
Computershare Investor Services Pty Limited
GPO Box 3329
Melbourne, VIC 3001

Free phone: 1 800 501 366
Fax: +61 (0)3 9473 2500



Smartpay Holdings Limited

New Zealand Shareholders Association Presentation

2023



Important Notice

This presentation has been prepared by Smartpay Holdings Limited (**NZX: SPY/ASX: SPM**) (the **Company** or **Smartpay**) for the purpose of briefings in relation to its financial statements.

This presentation may contain certain statements and projections provided by or on behalf of Smartpay Holdings Limited Group (Smartpay) with respect to anticipated future undertakings. Any forward-looking statements reflect various assumptions by or on behalf of Smartpay. Accordingly, these statements are subject to significant business, economic and competitive uncertainties and contingences associated with the business of Smartpay which may be beyond the control of Smartpay which could cause actual results or trends to differ materially, including but not limited to competition, industry downturns, inability to enforce contractual and other arrangements, legislative and regulatory changes, sovereign and political risks, ability to meet funding requirements, dependence on key personnel and other market and economic factors. Accordingly, there can be no assurance that any such statements and projections will be realised. Smartpay makes no representation as to the accuracy or completeness of any such statement of projections or that any projections will be achieved and there can be no assurance that any projections are attainable or will be realised.

Additionally, Smartpay makes no representation or warranty, express or implied, in relation to, and no responsibility or liability (whether for negligence, under statute or otherwise) is or will be accepted by Smartpay or by any of its officers, directors, shareholders, partners, employees, or advisers (Relevant Parties) as to or in relation to the accuracy or completeness of the information and statements contained in this presentation or the opinions or matters (express or implied) arising out of, contained in or derived from this presentation or any omission from this presentation or of any other written or oral information or opinions provided now or in the future to any interested party or its advisers. In furnishing this presentation, Smartpay undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Except to the extent prohibited by law, the Relevant Parties disclaim all liability that may otherwise arise due to any of this information being inaccurate or incomplete. By obtaining this document, the recipient releases the Relevant Parties from liability to the recipient for any loss or damage which any of them may suffer or incur arising directly or indirectly out of or in connection with any use of or reliance on any of the information contained in this document, whether such liability arises in contract, tort (including negligence) or otherwise.

This document does not constitute, and should not be construed as, either an offer to sell or a solicitation of an offer to buy or sell securities. It does not include all available information and should not be used in isolation as a basis to invest in Smartpay.

Non-GAAP measures

This presentation contains references to Non-GAAP measures including EBITDA and adjusted NPAT.

Because Smartpay complies with accounting standards, investors know that comparisons can be made with confidence between reported profits and those of other companies. These non-GAAP figures are provided as a supplementary measure for readers to assess Smartpays performance alongside NZ GAAP reported measures.

Some reported measures have been amended from those previously reported due to the implementation of the IFRS Interpretations Committee (IFRIC) agenda decision which has resulted in a change in accounting policy in the year ended 31 March 2023.

Who We Are, How We Are, What We Do

Smartpays Strategic Goal is to be recognised as the most reliable, capable, agile and innovative omni-channel payments provider in Australia and New Zealand



Smartpay designs, develops and implements innovative payment solutions for customers in New Zealand and Australia.

Our vision has been and remains to be **The Payments Partner of Choice.**



One Team

We will work together to create an inspiring company that we are all proud to work for



Fearless

In our approach to our focus on our customer

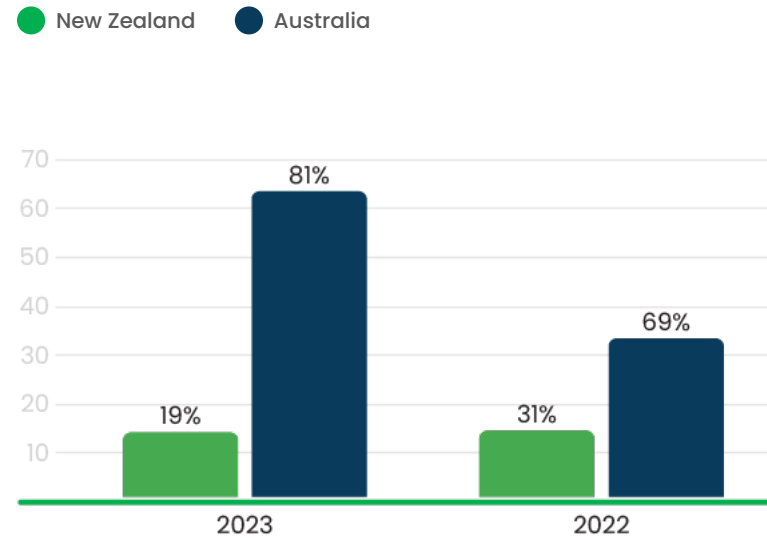


We Deliver

By listening, engaging and being held accountable

Our Products, Our Markets

\$m Revenue by Country



SmartCharge
A Zero Cost EFTPOS solution



Simple Flat Rate
Simplified monthly statements



Retail Radio
A compliant instore music and signage solution



Merchant Portal
Summary of transactions across all payment types, by day, week, month and year.



SmartConnect
Integrations to third party applications



EFTPOS Terminal
A compliant rental EFTPOS terminal for New Zealand customers



The People Behind the Name

BOARD OF DIRECTORS:

Greg Barclay

Chairman and Independent Director

Marty Pomeroy

Managing Director and Chief Executive Officer

Matt Turnbull

Independent Director

Geoff Carrick

Independent Director

Carlos Gill

Non-Executive Director

EXECUTIVE TEAM:

Marty Pomeroy

Chief Executive Officer

Cherise Barrie

Chief Financial Officer

Aidan Murphy

Chief Business Officer

Peter Thomas

Chief Marketing & Product Officer

Lucy Williams

Chief Customer Officer

Andrew Davies

Chief Revenue Officer

Denise Doyle

Chief People Officer


Arron Patterson

Chief Technology Officer



Smartpay Holdings Limited

2023 THE YEAR THAT WAS



“Vision without
execution is
hallucination”

- Thomas Edison

FY23. The Breakthrough Year



Terminals in Market

46,000+

+14% YoY



Smartpay People

160

+14% YoY

Continuing
Revenue Growth
Up 62% YoY

\$77.8m

FY22 \$48.1m

Operating Cash to
Fund Growth
Up 57% YoY

\$18.6m

FY22 \$11.8m*

Delivers to
EBITDA
Up 81% YoY

\$18.4m

FY22 \$10.2m*

Free Cash to
Repay Debt
Up 47% YoY

\$4.7m

FY22 \$3.2m

Drops to the Bottom
Profit Before Tax
Up 328% YoY

\$7.6m

FY22 \$1.8m*

From Net Debt
to Net Cash

\$2.0m

FY22 Net Debt \$1.6m

*Restated

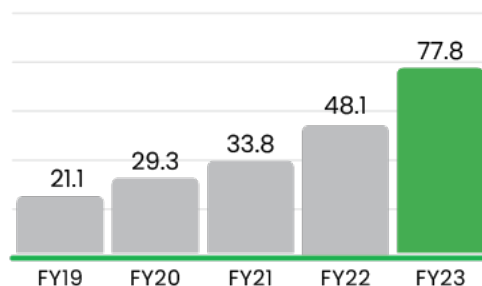
The Business Fundamentals – Measured Investment

	FY23	FY22*
EBITDA to revenue	↑ 23.7%	21.1%
Operating cost to revenue	↓ 37.4%	43.4%
PBT to revenue	↑ 9.7%	3.7%
Gearing ratio	↓ 23.6%	34.5%
Headcount	↑ 160	140
Revenue per head	↑ \$486k	\$343k
Marketing investment	↑ \$6.9m	\$4.0m
Transacting terminals	↑ 15,700+	9,650+
Trans-Tasman terminal fleet	↑ 46,000+	40,000+

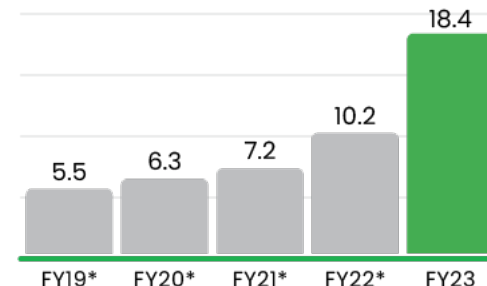
*Restated

FY23. Delivering Consistently with Improving Leverage and Cashflows

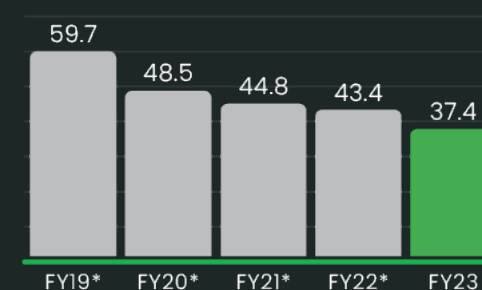
\$'m
YoY Revenue Growth



\$'m
YoY EBITDA Growth



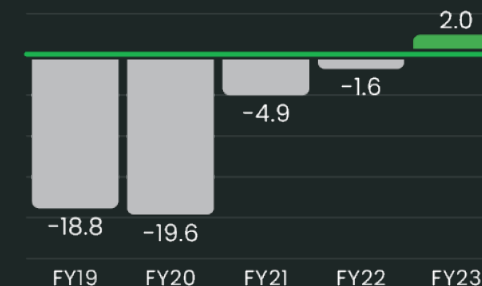
% improving
OPEX** to Revenue



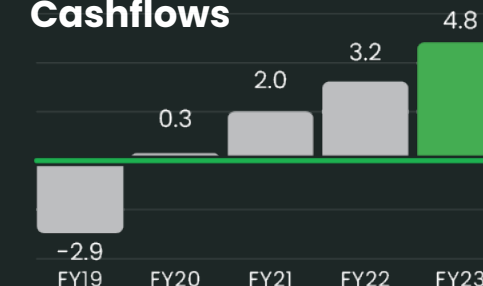
\$'m
Profit Before Tax



\$'m
Net Debt to Net Cash



\$'m
Generating Free
Cashflows

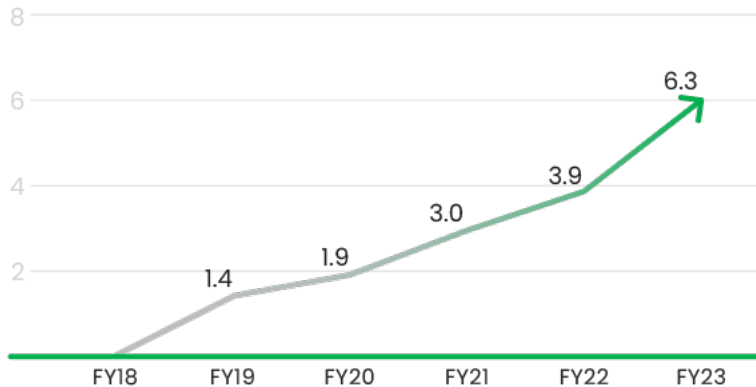


*Restated

**OPEX excludes cost of goods sold

Australian Metrics Show the Benefit of Measured Investment

62% increase YoY in % share of 250,000 addressable market



Acquiring Transactional Revenue

\$60.5m

Up 94% on FY22 \$31.2m

Transacting Terminals

15,700+

Up 62% on FY22 9,650+

Total Transaction Value

\$5.0b

Up 83% on FY22 \$2.7b

Average Revenue per Terminal

\$4,860

Up 18% on FY22 \$4,105

Monthly Acquiring Revenue

\$6.2m

Up 68% on March 22 of \$3.7m

Net Promoter Score

70

FY22 66

Consistent New Zealand Metrics - Maintaining the Asset for the Future

Revenue

\$14.6m

Down 2% on FY22 \$14.8m

Average Annual Revenue per Terminal

\$454

Down 2% on FY22 \$464

Terminals

31,000+

Consistent YoY

Net Promoter Score

49

FY22 46



Smartpay Holdings Limited

SUSTAINABILITY AT SMARTPAY



Sustainability we are Always Improving

“We are who we are –
we just do the right thing –
by our team, our customers,
our community and environment”

The Environment

- Measurement of greenhouse gases to support **Aotearoa Climate Reporting** and implement changes to reduce Smartpays impost – preparing for reporting as at 31 March 2024
- 100% of fully depreciated terminals sent for **recycling**
- **Hybrid cars** to partially replace existing vehicle fleet whilst also reducing overall fleet size
- **Terminal packaging** in Australia updated to reduce the requirement for plastic satchels

Delivery socially

- Increasing the Smartpay team by 20 people taking total permanent headcount to 160
- Living wage employer
- Accredited Work Visa employer
- Contributing to the community through donating to charities
- A team led Wellbeing Committee running events to support the wellness and diversity of our Smartpay team
- Implemented policy of company contributions for KiwiSaver and Superannuation to staff over 65

Governance

- **Reduced debt** and focus on **good governance**



Smartpay Holdings Limited

2024

**LOOKING
FORWARD**



The Smartpay Philosophy is to Deliver Outcomes, Not Sell Dreams



Continued acceleration into the Australian opportunity

Explore new opportunities to accelerate



Android Terminal in store

Australia and thereafter New Zealand



One-Team, One-Organisation

Maximise capability as we grow



Continued strengthening of Smartpay

Measured and disciplined investment together with continuous improvement to ensure the business is operating in a manner appropriate for the size, scale and volume we contribute to the payments and settlements system



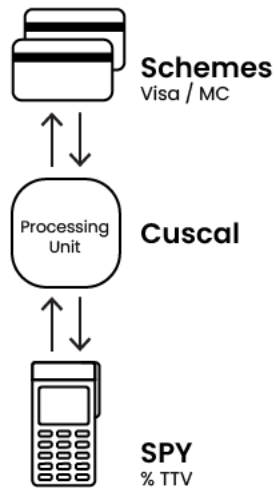
Aligning the Two

Develop and prepare to launch our New Zealand proposition

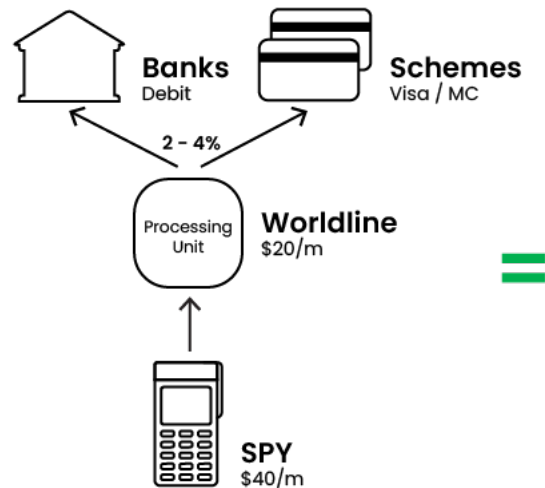
Execute against our Strategic Ambition – Aligning the Two

	AUSTRALIA	NEW ZEALAND
CURRENT STATE		
Monthly Revenue	Terminal rental plus transactional revenue	Terminal rental revenue
THE OPPORTUNITY		
Monthly Revenue	Terminal rental plus transactional revenue	Terminal rental plus transactional revenue
Customer Acquisition	Sales team Marketing \$'s to generate leads	~ 30,000 terminals in market ⇒ conversion of fleet
Marketing Collateral	New	Leverage Australian materials

AUSTRALIA



NEW ZEALAND



AUSTRALIA

Terminal rental plus transactional revenue

NEW ZEALAND

Terminal rental revenue

THE OPPORTUNITY

Terminal rental plus transactional revenue

Terminal rental plus transactional revenue

Customer Acquisition

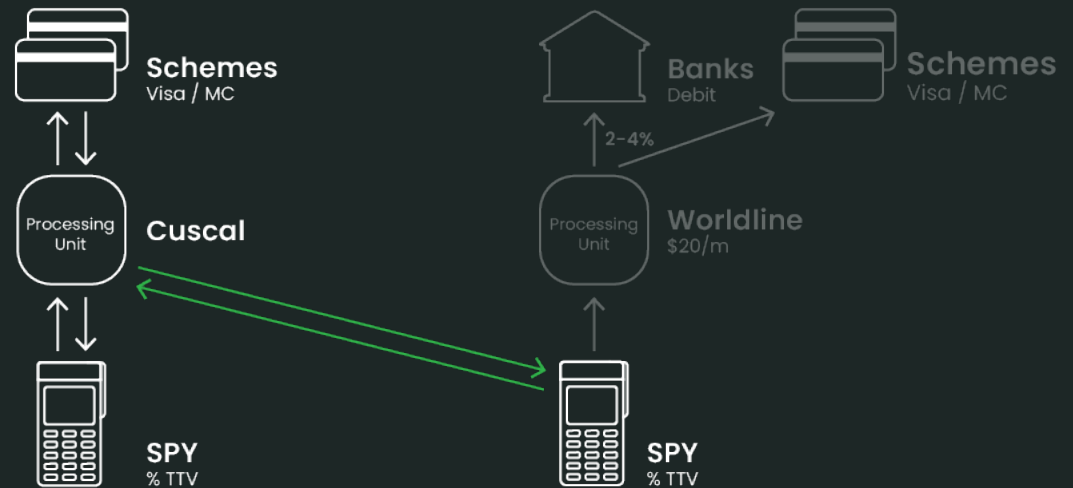
Sales team
Marketing \$'s to generate leads

~ 30,000 terminals in market
⇒ conversion of fleet

Marketing Collateral

New

Leverage Australian materials



Progress against the **Strategic** **Ambition** of Aligning the Two



Android Terminal for Australia – ETA Calendar Year 2023

- Scheme testing and Certification about to commence



Android Terminal for New Zealand – ETA Calendar Year 2024

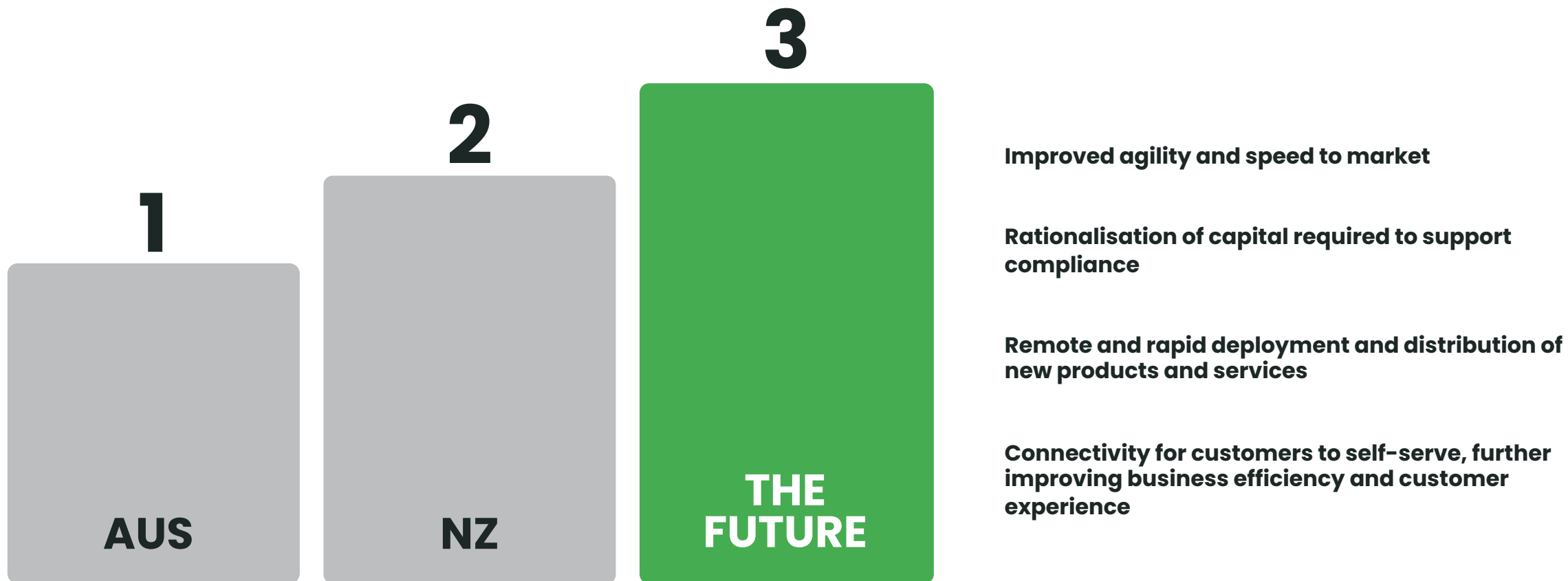
- Australia and thereafter New Zealand



Key partner agreements:

- Cuscal
- Commercials being finalised
- Draft agreements received

The 'Network Effect'





Smartpay Holdings Limited

**THANK
YOU**

